

NNewsline

Microenterprise Development: A Strategy for Neighborhood Networks Centers

Microenterprises are the smallest, least visible portion of the business world: the home-based day care provider, the roving automobile mechanic or the hairdresser who serves clients in the neighborhood. All can be found in a variety of neighborhoods, including those associated with Neighborhood Networks centers.

Microenterprise owners usually need intensive business training and technical assistance. Locally-designed microenterprise programs can assist with basic business planning, accounting and information technology. Loans ranging from \$500 to \$10,000 can help entrepreneurs purchase inventory and equipment, redesign a workspace and develop a product, among many purposes.

Among the ways to reduce the risk and cost of a microenterprise program are:

- Early screening of participants to determine commitment and business feasibility.
- Careful business planning.
- Use of group trainings conducted by local business professionals at no cost.
- "Stepped" lending, or financing that gradually increases as the entrepreneur establishes a business and credit track record.
- Use of peer groups, which are self-selecting groups of five to ten entrepreneurs who meet regularly to discuss business plans and review loan applications.
- Partnering with local banks to provide low-cost loan capital and collect loan payments at no or minimal cost.
- Partnering with existing community-based agencies to enable participants to access affordable child care, transportation and education services.

Microenterprise development can be an effective self-sufficiency strategy. For additional microenterprise development resources, call the **Neighborhood Networks Information Center** toll-free at (888) 312-2743 or visit the Neighborhood Networks website at www.NeighborhoodNetworks.org.

Neighborhood Networks Centers Develop Viable Businesses

Small businesses are slowly emerging at Neighborhood Networks centers. Among centers that have developed viable businesses:

- **The Elva McZeal Neighborhood Networks Center** in **Brooklyn, NY** formed a desktop publishing company based on market research conducted by students at the center. Students participated in each phase of the company's creation and generated business from restaurants and churches in the East New York area.
- **The Villa D'Ames Apartments Foundations of Freedom Learning Center** in **Marrero, LA** established a print shop that began by printing personalized greeting cards and business cards for local merchants. The print shop eventually secured a contract to create mailing labels for a New Orleans tourism company.

For more information on other microenterprise activities, call the **Neighborhood Networks Information Center** toll-free at (888) 312-2743 or visit the Neighborhood Networks website at www.NeighborhoodNetworks.org.

NNewsline

Welcome to *NNewsline*, a publication highlighting topics of interest to Neighborhood Networks centers and Coordinators. *NNewsline* is issued every other month.



Neighborhood Networks

U.S. Department of Housing
and Urban Development

Office of Housing-Multifamily

www.NeighborhoodNetworks.org



Job Training Program Tips

Neighborhood Networks centers nationwide operate a range of programs that prepare residents for employment. Some centers' suggestions for setting up an effective job training program include:

- Find out what residents want from a job training program. Involve them in the design, implementation and operation of the program.
- Develop strong partnerships with employers. Involve them in the planning and program development.
- Develop strong partnerships with colleges, local government agencies and community service providers to obtain funding and other critical resources.
- Make sure the program meets state and local welfare requirements so residents do not lose their benefits. To qualify for public funding, the program must also comply with employment and training rules and vocational/educational guidelines.
- Design a flexible program with a wide range of services that can be tailored to meet the needs and skill levels of residents.
- Provide comprehensive support services, such as child care and transportation, that remove barriers to training and employment.
- Develop a system of tracking outcomes to show the program's success to potential funders.
- Monitor a resident's progress and provide support services for six months after job placement.

For additional job training resources, call the **Neighborhood Networks Information Center toll-free at (888) 312-2743** or visit the Neighborhood Networks website at www.NeighborhoodNetworks.org

Marriott Pathways to Independence: A Job Training Example

Hotels run by Marriott International provide entry-level jobs to individuals entering the workforce. Marriott's *Pathways to Independence* program trains low-income individuals for jobs at hotels run by Marriott and other hotel chains. Participants in the *Pathways to Independence* program attend classroom training on topics such as how to find and keep a job, raise self-esteem and manage personal finances. Classroom training is followed by occupational training on-site at Marriott hotels. Participants who complete the program are offered a full-time job, with benefits, at a hotel run by Marriott or another chain.

For more information about the Marriott *Pathways to Independence Program*, contact Allen Brown, Senior Manager, Community Employment and Training Programs Department at (800) 638-8101, Ext. 8856 or by e-mail at allen.brown@marriott.com.

Kids Corner: Expanding Horizons

Virginia junior high students learned about Neighborhood Networks when they became "consultants for a day" this summer. Staff from ICF Kaiser, Inc., the consulting firm that works with HUD on Neighborhood Networks, welcomed students from *Expanding Horizons*, a Washington, DC-based summer program that helps young people answer the question, "What will I be when I grow up?" The students, aged 11-14, brainstormed a number of ideas for Neighborhood Networks center youth programs, including:

- A restaurant owned and operated by young people who live in the community. The profits from the business could be used to support fun after-school activities.
- A speaker series where professionals could come speak to kids about careers.
- After-school tutoring programs that would help kids with their homework and would teach them how to use computers.
- Classes that teach kids about health and safety.

For more information on other Neighborhood Networks youth activities, call the **Neighborhood Networks Information Center toll-free at (888) 312-2743** or visit the Neighborhood Networks website at www.NeighborhoodNetworks.org.

Partnership News

The Aspen Institute Partners with Neighborhood Networks

The Aspen Institute and the Neighborhood Networks initiative have developed a partnership that will provide Neighborhood Networks centers with resources for microenterprise development.

Based in Colorado, the Aspen Institute is an international nonprofit educational institution dedicated to enhancing the quality of leadership through informed dialogue. This new partnership promotes the sharing of ideas and resources related to economic opportunity and small business development. The Aspen Institute will supply Neighborhood Networks with resource articles and website information relating to microenterprise development. The Institute has already provided copies of the *U.S. Microenterprise Programs Directory*, which were distributed at recent Neighborhood Networks conferences in Phoenix and Atlanta. The directory provides statistical profiles of 328 microenterprise development programs throughout the United States and is a valuable resource that allows Neighborhood Networks centers to contact microenterprise practitioners for technical assistance or credit. The updated version of the directory will be available on the Neighborhood Networks website (www.NeighborhoodNetworks.org) later this year.

For additional information about the Neighborhood Networks/Aspen Institute partnership, contact Jerry Garcia of Neighborhood Networks at **(888) 312-2743**.



Job Training Program Resources for Neighborhood Networks Centers

Two Wisconsin Neighborhood Networks Centers Use Successful Approach to Job Training

At the Northport and Packer Community Learning Centers in Madison, WI, job training involves much more than learning computer skills. The centers conduct joint programs to prepare residents in two housing developments for all aspects of the workplace. Center staff tailor programs to resident interests, while addressing health care, child care, transportation and other needs. The Northport/Packer employment record is impressive. Eighteen months after the program began, 54 program graduates have found work.



54 program graduates have found work!

For more information about these centers, contact Carmen Porco, Development Director, at (608) 255-2759 or e-mail him at cporco@mailbag.com.

Neighborhood Networks centers are preparing residents of HUD-supported housing to make the transition from welfare to work through job training and placement programs. The following three programs provide resources to help centers meet their job training needs.

The Community Employment Alliance

The Enterprise Foundation has established Community Employment Alliances (CEA) in the following nine cities: Atlanta; Baltimore; Dallas; Denver; East Palo Alto, California; New York; San Antonio; St. Louis and Washington, DC. Through coordination with community leaders, business and government, CEA increases the employment and job retention rates of welfare recipients and low-income residents by building on the strengths of existing employment systems and introducing new practices to bridge the gaps in those systems. Neighborhood Networks centers in these nine cities can contact CEA to learn how they might collaborate with The Enterprise Foundation in this effort.

Job Link

Job Link is a Minneapolis-based job-matching database service that helps unemployed or low-income people locate employment opportunities. Job Link succeeds in placing low-income job seekers because of three important factors:

- The database is targeted specifically toward low-income job seekers.

- The database contains more detailed information about the job's requirements and benefits.
- The database is continuously updated to assure job leads are open and accurate.

The Enterprise Foundation is replicating the Job Link database service in New York City. Neighborhood Networks centers can establish a similar job listing database by encouraging local employers to participate in the service.

Capital Commitments, Inc.

Capital Commitments, Inc. is a Washington, DC-based job training program that provides telecommunications training to persons that are unemployed, underemployed or on welfare. The Enterprise Foundation is working with several partners to replicate the Capital Commitments program in Denver. Neighborhood Networks centers can also replicate this program by partnering with local telecommunications companies to provide training and job opportunities to center participants.

For additional information on CEA, Job Link or Capital Commitments, Inc., contact Patrick Jackson, CEA Director, at (410) 772-2751 or e-mail him at pjackson@enterprise-foundation.org.

For more information on Neighborhood Networks job training activities, contact Abby Sosland of Neighborhood Networks at (888) 312-2743 or visit the Neighborhood Networks website at www.NeighborhoodNetworks.org.

HUD Neighborhood Networks **NNewsline**

Written by: Ruth Cardella, Michael Doherty, Jennifer Eddy, Barbara Floyd, Jerry Garcia, Alan Isaac, Olga Mendez, Ayana Shepherd, Bill Weger

Editorial Board: Debby Fishman, Lucinda Flowers, Jerry Garcia, Susan Guthrie, Steve Seuser, Bill Weger, Steve Yank

Managing Editor: Ayana Shepherd

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Get Involved with Neighborhood Networks

What kind of information do you need? What topics would you like to see in this newsletter? Do you have information you would like to share with Neighborhood Networks partners and participants? Do you have story ideas? Give us your feedback! Contact the **Neighborhood Networks Information Center** toll-free at (888) 312-2743 or e-mail us with your suggestions at nnetworks@icfkaiser.com.



Calendar of Events

January 14-17, 1999

U.S. Association for Small Business and Entrepreneurship (USASBE) 13th Annual National Conference

San Diego, CA, The Bahia Hotel

Contact: Michael D. Meeks
Phone: (706) 227-2544
Fax: (706) 542-3743
E-mail: mmeeks@usasbe.org
Website: www.USASBE.org

January 21-23, 1999

Families USA Foundation Annual Grassroots Conference

Washington, DC

Contact: Families USA
Phone: (202) 628-3030
Fax: (202) 347-2417
E-mail: info@familiesusa.org
Website: www.familiesusa.org/CONFHTM

January 26-27, 1999

Philanthropy News Network Nonprofits and Technology Conference

Seattle, WA

Contact: Philanthropy News Network
Phone: (919) 832-2325
Fax: (919) 833-4238
Website: conference.pj.org/index.htm

January 28, 1999

National Community Development Association (NCDA) Winter Meeting

Washington, DC, J.W. Marriott Hotel

Contact: Chandra Western
Phone: (202) 293-7587
Fax: (202) 887-5546
E-mail: NCDA@ix.netcom.com
Website: www.ncdaonline.org

February 1, 1999

Center for Substance Abuse and Mental Health Services, ACF, DHHS Making Welfare Reform Work for Welfare Recipients with Drug and Alcohol Problems

San Diego, CA

Contact: Emprise Group
Phone: (703) 836-7800

February 10-11, 1999

International Council of Caring Communities Caring Communities for the 21st Century (1999 International Year of Older Persons Conference)

New York, NY, United Nations Headquarters

Contact: Nancy Lewis
Phone: (212) 688-4321
Fax: (212) 759-5893
E-mail: iccc@undp.org
Website: www.un.org/events/agingcf.htm

Visit our website at www.NeighborhoodNetworks.org

U.S. Department of Housing and Urban Development Neighborhood Networks

9300 Lee Highway
Fairfax, Virginia 22031

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